

**Military?** Response: Rejected, will address all programs Contingency Funds, Project Level

**Reference 1011** Response: Accepted & Reworded. See master document

As written this reference appears to pertain only to the Military program issues. Why include a reference document for a unique program for the USACE wide PMBP? Contingencies are addressed under Process Resource Estimate Development. Suggest deletion of this reference. Response: See above.

## Scope

This reference document covers the control and distribution of contingency funds. Contingency funds are program or project funds that have been set-aside, or reserved, to cover program or project uncertainties, or may be generated during project execution when activity costs are less than anticipated. GENERALLY, the greater the risk in a program or project, the greater the contingency funding. The process only covers the **project(see title)** Response: Accepted part of contingencies. **not true, there are no program level contingencies** Response: Sentence deleted in master document

## Distribution

**Project** Manager (PM) Response: Accepted  
Project Delivery Team (PDT)

## Ownership

The BP/P2 Program Office is responsible for ensuring that this document is necessary and that it reflects actual practice.

## Roles and Responsibilities.

**PM** or their representative(s) are responsible for tracking contingency funds and approving their distribution within projects or programs. **Project** managers must certify that USACE-approved, customer contingency funding criteria have been met before authorizing use of such funds.

**In most cases, PM should manage contingency versus Program Manager.**

**The Project Manager (PM) will:** Response: Reworded. See master document

- Control release of contingency funds.
  - Delegate approval and certification of contingency funds to a designated representative.  
The Program Manager may delegate approval and certification of contingency funds to a designated representative (usually the PM). However, the Program Manager:
    - Must make such delegations by name.
    - May designate no more than one representative per project.
    - May change representatives at any time during the life of a project.The Program Manager's appointment cannot be further delegated. A single individual may be delegated contingency fund authorization for multiple projects.
- Contingency funds** Response: Accepted may be stored in a separate work item if desired.

**The Project Delivery Team (PDT) will:**

Budget for studies, designs and construction Response: Accepted and include a contingency amount commensurate with the level of risk.

**The Project Manager (PM) will:**

Return remaining contingency funds to the customer upon project completion

Once a project plan has been approved, the remaining contingency funding level is calculated as total available funding minus the current working estimate to complete that program or project.

Within P2, once a project plan has been approved, the current working estimate (CWE) for the project is defined as the sum of all actual resource/contract costs plus the sum of all estimated (remaining) resource/contract costs assigned to tasks and activities of the project plan.